

**Milton Town Council Meeting
Milton Theatre, 110 Union Street
Monday, March 9, 2009
7:00 PM**

1. PUBLIC PARTICIPATION portion was called to order by Mayor Post at 7:00 pm

- a. Jim Westhoff I'm a public relations officer for DelDOT, but tonight I am here as a member of the Committee for the Delaware Bike Summit. The Delaware Bike Summit is a one day event we are holding in late April, on April 24th. We're bringing in speakers from all over the country to talk about how towns, cities and states can work together to incorporate bicycles into their future transportation planning. This is being put on by DelDOT and bicycle clubs, bike shops and just citizens. Right now it's sponsored completely by corporations. We were able to raise enough sponsorship. The reason we are having this event is because in the coming years or decades we will no doubt see gas prices rise and people are going to look for alternative ways of getting around. I'm from DelDOT and I can tell you we don't have any plans for any big monorails, so how are people going to get around? Well many people are going to use bikes. As a state, we need to be prepared for that. As a state, I mean, not DelDOT, we need to all work together for the future. That's why we're going to these meetings every night all month long, the city council meetings throughout the state, imploring you folks to come to the Delaware Bike Summit. It's free; you get two free meals out of the deal; and we hope that you can come and ask some questions. There are a lot of questions about pay; who will pay for it; sub-division requirements; commercial permit requirements; there are a lot of ideas out there. We're bringing in speakers from Portland D.C., Philadelphia; so we hope everyone can make it out. One of the reasons we're having it is because the real change for transportation and bicycles and infrastructure, has to involve the towns. It can't be just a grand edict handed down by DelDOT; it won't work. If we're going to talk about the future of transportation in Delaware, you folks have to be at the table. That's why we're holding this and that's why we're working so hard to get sponsorships; so it's free for everyone; it's not costing the taxpayers any money at all. It's also opened to the public. I have invitations in the back. Please register on-line because we only have 300 spots. Are there any questions?

C Martin-Brown: Did you say you're the public affairs officer for DelDOT?

Jim Westhoff: Yes, ma'am.

C Martin-Brown: At some later date could you take a look at why a monorail system and other modes of transportation are not being considered by DelDOT?

Jim Westhoff: I could answer that right now. The Wilmington Area Planning Council actually did a study on new rail transportation and it's phenomenally

expensive. For example, if we used the stimulus money that we just received, we would have to use almost all of the stimulus money for the east coast to do a monorail system. I envision a monorail like down Route 1. It seems to make perfect sense, doesn't it? However, it's very expensive and I've heard something like \$1 million per foot or a yard or a mile. Its crazy expensive. We've priced it and it's too expensive; it's way out of our ballpark right now. That said, if gas is \$20 a gallon, we might find a way.

Mayor Post: Thank you.

- b. Ken Coursin, 226 West Shore Drive: I've heard a lot of different things on the Rails to Trails and I really just wanted to clarify it. I have the railroad tracks in my backyard. They are right behind me. I have heard that there are plans to put lighting, benches, stuff like that. When I moved in I was told it was going to be a nature trail. I just wanted to see what the actual plans really are; at least in that area between Lavinia Street and Federal.

Mayor Post: I have not seen the plans. There are no plans at this time. Only Phase I has the plans.

Ken Coursin: Okay, so what I'm hearing is a lot of rumors and speculation?

Mayor Post: Its rumor; but it also has to be a safe trail, because going through those woods would be dangerous with the trestle there. Whether it stops when it gets to Wagamon's or not, I can't guarantee at this time, as far as the safety issue in the woods because it's not like we're going to be closing the rail down at a certain time of night, as well. This is something that has been in the plan. It's only in Phase I. The only thing at this point is to do any type of clean-up, as far as any contamination, all the way out to Lavinia Street.

Ken Coursin: Okay.

Mayor Post: Stephanie, if you have anything else, please let him know. Stephanie is handling that.

Stephanie Coulbourne: I just wanted to tell you that on Phase II, which is from Federal Street all the way through to Lavinia; which would be behind your house; it was never intended to be a lighted area to promote the pedestrian traffic at night. Only the first section between Chestnut and Federal will have the benches, the trash cans and the lighting on it.

Ken Coursin: We get a lot of wild life and nature back there and I was hoping to keep it back there.

Stephanie Coulbourne: That is a long time down the road because the State does not have funding for that project for the next two years in its budget.

Ken Coursin: Then that's another rumor, I heard that was going to proceed very shortly.

Stephanie Coulbourne: The only thing that we're allowed to do is to use the grant funds left over from the Brownfields clean-up to clean-up section Phase II; which is from Federal to Lavinia.

Ken Coursin: Okay, thank you very much.

- c. John Collier, 301 Coulter Street: Good evening Mayor and Council. Thank you for the opportunity to speak. What I wanted to speak about briefly were the sidewalk repairs. What I am handing to you all is a package of information that kind of outlines one of the thoughts that I had that the Town might want to look into and what you'll find there is just a brief summary of what's there. The definition of what a special tax district is; the State Code that applies to those particular things; and an article about one that was recently done in Millville. I know that it's on the agenda to be discussed tonight and I heard some very meritorious arguments and valid concerns in the meeting on the 25th, and since you're going to discuss it tonight, I just thought I would throw that out there and you can do with it what you want.
Mayor Post: We appreciate it and we'll also make sure that it gets over to C Betts' Committee. Thank you.
- d. Lynn Eckland 406 Union Street: After last week, I just wanted to ask a couple of questions about snow removal on the sidewalks. Last Thursday, I think it was three days after the snow, I walked from my house, 406 Union Street, down to the Library and I had to cross the street repeatedly because certain sidewalks were shoveled, and certain sidewalks were not. According to the Town Code, sidewalks have to be shoveled within 24 hours after the snow stops. There's also something in the Town Code, which I didn't realize, which says that the Street Committee, which I am assuming is the Streets & Sidewalks Committee; I'm not certain about that, Leah; has to have the snow removed immediately and the cost of removing the same shall be recovered from the person responsible for that particular sidewalk. I was just wondering, do we enforce this particular portion of the Town Code or is this something kind of like the repairing sidewalks; where we just don't. It's there but it doesn't mean anything.
Mayor Post: I can speak to the sidewalks. I certainly think that we're trying to address the sidewalk issue, just like many other Towns have. Rehoboth has been going through the same thing that we've been going through. As far as the snow removal; I think, first of all, if you're talking about do we go and do a mailing to them to tell them... First of all, it's very unusual to have this issue. I certainly cannot believe that it would be the Sidewalk Committee's responsibility and if it's another dinosaur that's in there, then it needs to be removed. It's not the first problem that we've had with the old ordinances.
Lynn Eckland: That's what I'm saying. In looking at it, in the Town Code, I was unaware of that; I was aware of the \$50 fine, only because we get outside and make sure that we shovel our sidewalk, because we don't want to be fined the \$50; but if the whole thing is a dinosaur; I think it should be addressed and if we're not going to enforce it, remove it.
C Betts: The snow came Sunday; we have to give seven days notice to have a Streets & Sidewalks Committee meeting; it was almost impossible to have a Streets & Sidewalks Committee meeting to address those sidewalks that were

not shoveled. Maybe we will look into that at the next meeting and address it and see if we can't straighten something out about it.

Lynn Eckland: As I said, I was aware of the \$50 fine if you didn't shovel your own walk, I didn't know until I looked at the Code, that there was actually something in there about the Streets & Sidewalks Committee making sure that those sidewalks were shoveled and then the cost of shoveling billed to the owners.

C Betts: I think it would be kind of hard for the Committee themselves to enforce it, but we can address it at the next meeting.

Mayor Post: We can even put a copy of it in the end of the year report when it goes out for the winter, as well as that, so people are aware of it.

Lynn Eckland: I don't think we're going to have anymore snow this year; but as long as we're addressing some dinosaurs; this might be one we want to address, as well.

Mayor Post: Hopefully, in April there's going to be a whole committee appointed for the revision of the ordinances; because there are some other major issues, as well.

C Betts: Whatever we see, we will work on. Thank you for bringing it to our attention.

C Hudson: I agree with Lynn because I was walking with her, that either we enforce what's on the books, or we get rid of it; because I also agree with you that we should revise these ordinances and take out things that we're just disregarding. The other thing is I think we should do everything we can to encourage people to shovel their sidewalks. It wasn't just homeowners that had not shoveled their sidewalks; it was businesses, as well, that had not shoveled them. There is no excuse for that.

C Betts: I do realize that this snow was packed very hard underneath it; people did try to get out; because I tried on one of mine and there was ice under it. I didn't try; but I had someone try; it was hard to do and I can see a lot of the older people not being able and they were trying to get people. By Thursday, it was melted.

Mayor Post: It was totally gone by Thursday and it ended late Monday.

C Hudson: I agree that it was hard; I'm 60 years old and when Lynn said we shoveled I think she meant my royal "we", because I was the one shoveling it; so it is possible to do it; it is possible for the elderly because I'm there. What I'm saying is please take it off the books if we're not going to enforce it.

C Betts: It's like repairing the sidewalks.

C Martin-Brown: Mr. Mayor, on this issue, my husband did two houses and in front of a store and the state trucks, or whoever did the plowing, not once, but twice came along to plow the street and put all the snow on the sidewalks and he had to go out three different times to clear the sidewalk again.

Mayor Post: I wish the DelDOT man was here, because quite frankly they did not plow the Town of Milton's roads that were state roads which they are absolutely 100% responsible for. It was the Town of Milton's staff that plowed all the roads and streets in the Town of Milton. They said they

watched DelDOT pull their plows up as they went through the Town of Milton; so they raised their plows and didn't do the Town. We had to do that, as well.

C Martin-Brown: Mr. Mayor, does the Council need some kind of a request that the Mayor asks the Town Staff to follow-up on this and file a written complaint.

Mayor Post: To DelDOT?

C Martin-Brown: Yes.

Mayor Post: We were planning on it, anyway.

C Martin-Brown: Thank you.

C Hudson: Thank you for bringing that up. There is one last thing. Right down the street from your store is a concrete parking barrier?

Mayor Post: It's supposed to be moved today, because obviously some kids must have moved it over the weekend.

C Hudson: Or whoever shoveled the snow, with a truck, maybe.

Mayor Post: We think it was purposely because it was straight across blocking. Allen do you know whether you moved it today? There was a barrier there; it's right there by the parking lot. It's like a stop that needs to be... I told George, but obviously he forgot.

C Hudson: As of 4:00 today, it was still there.

Mayor Post: We're well aware of it, but we don't know how it got there. But thanks.

C Hudson: It's a hazard.

Mayor Post: We will now close the public participation portion of this meeting at 7:16 p.m.

2. The Town of Milton Town Council meeting was called to order by Mayor Post at 7:16 pm.
3. A Moment of Silence was led by Vice Mayor Betts.
4. The Pledge of Allegiance to the Flag was said by all in attendance.
5. Roll Call was called by Mayor Post

C Martin-Brown	Present
C Duby	Present
C Hudson	Present
Mayor Post	Present
C Betts	Present
C Abraham	Present
C Prettyman	Late (Arrived 7:30 p.m.)

6. Additions or Corrections to the Agenda

The Council minutes provided are a summation of the meeting to be used for informational purposes only. An official copy of the meeting can be obtained through Town Hall located at 115 Federal Street by filling out a FOIA Request and paying any cost associated with the request.

Mayor Post: Any additions or corrections to the agenda?

C Martin-Brown: Mr. Mayor, I don't see, and I may be missing it; but I don't see the request for a nomination of Bob Blaney to be a member of the Economic Development Committee.

Mayor Post: Stephanie told me because she told you it would be on the April agenda; and it's just as well because all appointments have to be reappointed in April, anyway.

C Martin-Brown: I wish I knew that because I told him to attend.

Mayor Post: He can still attend. It has nothing to do with the attendance.

C Martin-Brown: I understand; I would just like him to vote. Thanks. I make a motion that we approve the agenda.

C Abraham: Second

Mayor Post: Any questions? We have a motion and a second. All in favor say "aye". Opposed. Motion carried.

7. Presentation of Minutes for February 9, 2009.

C Duby: I move that we approve the minutes as written.

C Martin-Brown: Second.

Mayor Post: We have a motion and a second. Any discussion? All in favor say "aye". Opposed. Motion carried.

8. Approval of Written Committee Reports

C Hudson: I make a motion to accept the committee reports, as presented.

C Duby: Second

Mayor Post: We have a motion and a second. Any discussion? All in favor say "aye". Opposed. Motion carried.

9. New Business

a. Town Manager's Report

George Dickerson: The first thing that I would like to do is to congratulate Robin Davis for completing a Marshall and Swift Evaluation Program. The Marshall and Swift Evaluation Program is a nationally recognized evaluation of property construction methods and costs analysis for commercial properties. Robin took this class; he passed it and is now certified with Marshall and Swift; this is a nationally recognized organization which almost all municipalities and even real estate appraisers use to obtain the value of a property. In passing this commercial section, this will give Robin the opportunity to go out to a site or to look at the construction plans and in looking at the construction plans be able to draw from that and put a cost value of exactly what the cost of HVAC would be; what type of building it is; the location; the cost of a fire suppression system; and come up with an accurate cost evaluation of what that commercial property is worth. I would like to thank Robin for that. The Milton Rails to Trails: there was a question that came up with regard to that, so I would just like to give a synopsis of where we are in that process. As you all know, the Brownfields application

was in fact submitted. Ten Bears Environmental have done all the borings out there, as well as the well sites. The results of that should be in this week, the analysis from the laboratory where they were tested. In talking with Kyle from Ten Bears there is nothing that we expect to be outside of the scope of what we already knew was there; so that's a good thing. It looks like everything is going to be contained. You may have already seen people down there working at the site, which were Ten Bears Environmental, who were doing the work that they do to get us these results. You also may see some surveying going on at this time, by Becker Morgan Group who will be the engineers that are handling the Rails to Trails project; the surveyors may be shooting the lines and grades for this project. Mark Davidson who was awarded the bid for doing the excavation will also have preliminary approval from DNREC, the gentleman that was here, I can't remember his name right now; and gave written approval for them to go out there and start some of this pre-work waiting for this laboratory analysis. If in fact the snow hadn't come on Monday, they would probably have been here earlier this week or last week to start. Now it looks like they will probably be starting this week to do some of this preliminary work which DNREC has approved. The manuscript that you heard me talk about with regard to the General Code; and that's the reorganization of all of our ordinances to put in a format so that they are easy to search and reference and up-to-date will be a living document from the time that we receive it. We have completed that manuscript. That manuscript was returned to General Code; they will be sending us a final manuscript document to be approved some time within the next 60 days. Then we will be able to actually go to print and have those books printed. That project is coming along very nicely. That's all I really have.

C Duby: Is that going to be available electronically when it's finished, as well.

George Dickerson: Yes. It will be on a DVD; you'll be able to go to our web-site; click on the Municipal General Code; it will be indexed by Administrative, or whatever the agency is.

Mayor Post: You can put in a key word and it will bring every ordinance or whatever it has that relates to that key word.

C Hudson: Why would we have it printed and absorb the cost of printing it; if we can have it on-line and right now it's in the process of such heavy revisions and reiterations?

George Dickerson: It's always a living document and that's a great question; but you have to start somewhere and the process of doing the ordinances and going to print; there's a timeline when the contract was written; we looked at it about two years ago; this project has been ongoing for two years; the time that we are allotted to get this to print; we're at the window where it has to be done at this point. We're going to have to get a finished product and then we'll always be adding to it as ordinances either change or new ordinances are added.

C Hudson: Maybe we can reduce the volume of copies needed.

Mayor Post: First of all, we're all going to need a copy, because we all review it. Then it gets bound and that's how all municipalities have it, both in hard copy and on-line. We're not making 50 copies or 100 copies.

C Duby: Does our library keep a copy of it?

George Dickerson: It would be good to have one there.

Mayor Post: It would be a very good thing for the library. The only problem is when you get it out there, they will be able to change it electronically which I think even on our web-site everything we update; do we do it or does the company do it?

George Dickerson: I'm not sure.

Mayor Post: Because it's going to be very important, because somebody is going to have to run down and do the library copy every time that there's a change. That can be done.

George Dickerson: As well as anyone that has a copy will be given the insert pages. It's a loose leaf ring binder.

C Abraham: Mr. Mayor, the City of Milford has the same set-up and they are the ones that update the JP Court, for instance, my Court, with the changes in it; though it is a little time consuming. I just want to say, because we would need a copy for the local JP Court of our ordinances.

C Hudson: Going back to Rails to Trails; you said that they may start removal of the contaminated soil shortly. The time frame; could you assure me that we're not going to lose that \$400,000?

George Dickerson: Yes, I can. I can tell you that everything at the current time is ahead of schedule, actually, to where we should have been.

C Hudson: Thank you.

Mayor Post: Mary, we've already ordered some things, just so you'll know. That money is already being spent with the benches and all that.

C Hudson: I was riding my bike through Cannery Village the other day and one of the residents asked is there a Performance Bond with the contractor to guarantee that those roads will be finished?

George Dickerson: Are you talking about Cannery Village?.

C Hudson: Cannery Village.

George Dickerson: Robin, do you know?

Mayor Post: I can answer that. We're going back and forth on that, Mary. That's a good question.

George Dickerson: That's a great question. When it was approved, I believe in 2003 or 2004; somewhere in there; Robin, and there's a lot of documentation with regard to that Cannery Village project; and the answer is that we don't know but Robin is researching it now.

Mayor Post: Mary, I just want to state, because this has been an issue for me, as well; in two public meetings; well, at one of them there were hardly any people there, it was a workshop; and another meeting, twice, our engineer stated that there was a bond and we didn't have to worry about it. The bottom line is that no bond has been produced. The only one we have a bond for right

now is Wagamon's; do we have a bond for the one on the other side of the school?

George Dickerson: Heritage Creek does have a bond.

Mayor Post: I thought we had a bond for Heritage Creek, as well. Those are the only two that we have. We will have one for Dr. White's property when that progresses further along. I don't think there's been a bond placed yet on that.

George Dickerson: That project hasn't been started yet.

Mayor Post: We don't know what happened to the bond from Cannery Village. We have no idea; whether there is really a bond; all we have was that Bob Kerr said he thought there was a bond; but the second time he acted more definite. But it has not been produced. A bond for Cannery Village has not been produced. We have it for Wagamon's but we don't have anything right now for Cannery Village.

C Hudson: So Robin is researching that?

George Dickerson: Robin, do you have a timeline for that?

Robin Davis: I've asked Bob Kerr to see if he has a copy of it. I've not found anything in my file.

Mayor Post: George, my understanding is that you can't research them at the bank; you can't call a bank and find out.

George Dickerson: No, you would have no idea who would be holding the bond.

Mayor Post: That's what I thought.

C Hudson: If you do find anything, could you have it available at the Town Hall for the Council.

George Dickerson: If there is one, it should have been available at the Town Hall; but yes.

Mayor Post: So that's why I'm worried that it's not at Town Hall. We can not find it.

George Dickerson: Robin's comment was that he has searched all of his documents with regard to that; and he can not find it; but Bob Kerr is going through all of his documents with regard to the project.

Mayor Post: You might want to look at some past approval; whether Planning & Zoning Commission or Town Council and see if a bond was ever mentioned; even though a bond should just be automatic; it doesn't always happen that way; to see if a bond was referenced.

C Hudson: Okay.

George Dickerson: Thank you.

Mayor Post: Let it go on record that C Prettyman has joined us at 7:30 p.m.

b. Written Reports
Maintenance

C Abraham: I make a motion we accept the written report, as submitted.

C Prettyman: Second

Mayor Post: We have a motion and second. Any questions? All in favor say "aye". Opposed. Motion carried.

Project Coordinator/Code Enforcer

C Prettyman: I make a motion to accept the Project Coordinator/Code Enforcer report of February, 2009, as presented in writing.

C Martin-Brown: Second

Mayor Post: We have a motion and second. Any questions? All in favor say "aye". Opposed. Motion carried.

Police Report:

C Prettyman: I make a motion to accept the Police Report dated January 21 through February 20, 2009, as presented.

C Betts: Second.

Mayor Post: We have a motion and second. Any questions? All in favor say "aye". Opposed. Motion carried.

10. Old Business

a. Removal of the Stop Sign at Barringer Avenue and Chandler Street:

Mayor Post: Discussion is to include reports by Chief Phillips and the Streets & Sidewalks Committee. The Chief is here. Do you have a recommendation?

Chief Phillips: My recommendation as the Chief of Police is to leave it as it is; reference to public safety and slowing people down coming down the hill traffic-wise; before this we had people complain about speeders and it helps to slow them down. Whatever Council decides, we'll abide.

C Martin-Brown: Is that a proposal to have the stop sign remain there?

Chief Phillips: Yes.

C Martin-Brown: Has it been replaced?

Mayor Post: It was replaced that day. It was stolen.

C Prettyman: I'm in agreement with the Chief on that for the public safety and if need be, I will make a motion to leave the stop sign, as is.

C Hudson: Second.

Mayor Post: We have a motion and second. Any discussion?

C Abraham: Yes, I was just going to make note of this nice weekend and it was very congested at both the dock parking lot and across the street; and we did have a lot of kids playing with the scooters that I feel that it needs to stay there for safety reasons.

C Betts: I would like to say as Chairman of the Streets & Sidewalks Committee, that there was only one recommendation from the Committee, but they insisted that we bring it to Council. As far as myself, I agree.

C Hudson: I would like to add that Monday night, while the snow was pretty thick, I took my sled over and I was going down that hill with the kids and they were an awful lot younger than I was; but the thing was that they were going right down to the bottom of the hill and right out into the road. I saw cars stop and thank goodness they did, because if there hadn't been a stop

sign, they could have come around there and killed some kids on their sled. I think it should remain there. Especially with all the Fairs and activities you have in the park in the summer.

Mayor Post: Absolutely, I think between the people fishing there and the kids, I think there's no reason to move it. We have a motion and a second. All in favor say "aye". Opposed. Motion carried to leave the stop sign at Barringer Avenue and Chandler.

b. Discussion on Sidewalk Repair within the Town limits:

Mayor Post: At this time I would like to turn it over to Vice Mayor Betts.

Vice Mayor Betts: We had a very motivated Sidewalk Workshop on February 25th. Several good ideas were given with regards to repaving and repairing of the sidewalks. It was decided to take the comments back to the Streets & Sidewalks Committee; to draft some procedures; such as: estimates, notifying the property owners, revolving loan accounts, setting the criteria for maximum income for property owners participating in the revolving loan account, repayment of the loans, and to check on grants. I would like to thank John Pataki for some of his information regarding a grant that we're going to be applying for and go to some other insurance agencies. The next Streets & Sidewalks Committee meeting will be held on March 23rd at 6:00 p.m. at the Milton Library and we hope to bring it back to the Town Council for the April meeting. Also, I would like to thank George Dickerson for answering the committee's request to send a letter to Carolann Wicks, the Secretary of DelDOT, in regards to the drainage on Union Street; which he did and she states that someone from the South District Maintenance Yard will be in touch with George in the near future. That's a step ahead for us. I would like to thank everyone for participating in the workshop.

C Hudson: At the April meeting, will your proposals be in the forms such that the Council will vote on those?

Vice Mayor Betts: If it suits them, yes.

C Martin-Brown: Vice Mayor Betts would it be possible for your committee to receive copies of Mr. Collier's document?

Vice Mayor Betts: We are going to review that at the meeting.

C Martin-Brown: Excellent, thank you.

Vice Mayor Betts: I would like to thank John Collier for his work also.

Mayor Post: I thought the workshop was very good. I was very impressed. I feel confident that hopefully within the next 60 to 90 days we'll finally have this put to rest with the sidewalk issue. I do know if it will call for any type of a public hearing then we can move forward. There are some ordinances that we might possibly have to change first. We'll talk to you about it, because you weren't at that meeting.

Vice Mayor Betts: After we go through it and make the procedures up and check the information that Mr. Collier and Mr. Pataki told us about; I'll check with you.

Mayor Post: It's going to be very important that we move this along and the outline of it was pretty much there.

Vice Mayor Betts: Spring is coming and it's a good time.

11. New Business

- a. Georgia Dalzell, Executive Director of the Milton Chamber of Commerce is here to provide us with an update. Thank you very much, Mayor Post, Council Members, and City Administration. I'm glad to be here. I came to the Chamber a year ago. When we had the candidate's forum, I was introduced and met many of you at that time. Since there isn't an election this year, I thought I better get up and remind you who we are and what we've been doing for a year. The Chamber, up until now has been responsible for events in Town. We have three main things that we sponsor: the Horseshoe Crab Festival, Bargains on the Broad Kill and the Holly Festival. In 2008, all of these things saw an increase over the year before; more people attended; we had more participants; we had more revenues; so all of those events were very positive last year. The Chamber functions bring people into Milton; it's a way to expose people to our Town in a really good positive light. I can also tell you that during the year 2008, we saw a 10% increase in our Chamber membership. I think this is pretty good. We are a small organization; but we are growing; and as of 2009 to date, we've seen an additional 25 people join our Chamber of Commerce. We are growing and I think that's a very good sign. Heaven knows we get lots of publicity, so Milton looks like a big town, but we have businesses that are coming into Milton and we have people who are very interested in our town because it is an area that is going to grow. We had a ribbon-cutting a couple of weeks ago; we have one scheduled for this week; we have a second one scheduled two weeks from now; so there are new businesses coming to town; and that's very good. We've seen a lot of medical offices coming to Milton and that's a very positive thing, too. I want to tell you that in addition, while we're growing, that gives us the opportunity to provide more things for the businesses here; other than just events. Part of our job is to support the businesses and to give them things that we need. We have a seminar coming up on Health Insurance issues for small business and that is scheduled for this week. Next month we have the Small Business Administration doing a workshop for small businesses to help them get off on the right foot. This is the kind of thing we are going to be offering for businesses to help them grow in a positive light. We've also instigated a project, and I think this might have been one of our first projects, but this is a welcome bucket and this is information about the businesses that are here and we're giving this out to residents who come to town; new businesses that come to town; and everyone seems to be delighted. We have participation from about 30 of our members with flyers, coupons, information, little gifts, and all sorts of nice things, just to tell people what is here in our town. You would be surprised, this is kind of fun. We're also working on a calendar of events and we do have a lot of events. Right now it's generic, but as our concert schedule starts for the summer, we're going to include that too; but this is going to be a

rack card and we're going to circulate it around town and in other towns like Lewes, Rehoboth and that sort of thing. Milton is on the map; we are busy; we have a lot going on here; and the Chamber of Commerce is dedicated to working with businesses and with the Town itself to put out a really good quality of life and quality of business. We are here and we are here in full force. Thank you very much.

C Hudson: I've noticed that we have two town-wide yard sales; but over the years more people are actually doing their yard sales during the events, such as the Bargains on the Broad Kill or the Horseshoe Crab Festival; are you still promoting the separate town-wide yard sales?

Georgia Dalzell: Yes, we are. There's one in May and there's one in September. We do promote it; we do it through advertising and we include it on our web-site and in any publications that we do. We have a newsletter that goes out on-line every month and we try to have an updated calendar of events in that; we have a web-site that has a calendar of events and I try to keep that current. There's a lot going on and our members provide us with information about what their activities and functions are; and so we try to get that on as well. One function that I want to remind everybody about and invite you to participate in is Irish Eyes St. Patrick's Day Parade which is Sunday, March 15th at 2:00 p.m. To participate, you just need to go into the restaurant and pick up a form. Anybody can join in. I think there is a \$5 charge but it's for a worthy cause, Casa San Francisco and the Fire Department Training Program. We're all working together for good things to go on in Milton. Are there any other questions?

C Martin-Brown: I just wanted to share two things. One, Georgia works very closely with the Economic Development Committee and her announcements of events coming up go to all the members of that committee; so she has been critical in terms of providing a lot of "stuff" to us and vice versa; and the President of the Chamber is on the Economic Development Committee; so I wanted my colleagues to know that she's very much helping us.

Georgia Dalzell: It's all proactive. I think if we all work together and communicate together that we will have good positive results. Thank you.

b. Presentation of the 2007-2008 Town Audit

Tom Sombar of Sombar and Company: Good evening Mr. Mayor and Council. Hopefully, everyone has a copy of the report with them this evening, which I will be referring to. To start things off, I would like to draw your attention to Page 4, which is part of the Management Discussion and Analysis (MD and A) which presents in a very concise way the status of the Town's net assets. It's 8 columns across; the columns to the right are the totals; and the \$/% change. The Town's total assets declined \$224,000 from almost \$7.9 million to \$7.6 million in the past twelve months ending September 30, 2008. On the Liability side, unfortunately, they increased \$283,000 from \$1.4 million to \$1.7 million; and the net assets declined by a combination of those two prior amounts by

\$506,915, from \$6.4 million to just a little short of \$6 million; in a very general overview of those changes.

Mayor Post: I want to get clarity on the \$506,915 that is listed as amount changed, as a negative; but it reflects the funds that we took out of cash reserves?

Tom Sombar: Although this statement here is presented on the full accrual basis where assets are capitalized and depreciated; there are other statements that show that reflection.

Mayor Post: But you don't show cash reserves coming in as revenue?

Tom Sombar: No. Not on this statement. The first two statements are for accruals.

Mayor Post: Because we had approved \$723,110 into capital improvements; they were approved projects; but I believe it only ended up being \$506,915.

Tom Sombar: You certainly budgeted a deficit budget. That will be reflected in the next statement and in the other statements. The next statement is on page 6; which is the changes in net assets reflecting combined revenues for the business type and general governmental activities; and the total revenues for the Town declined by just short of \$950,000 from just short of \$3.7 million to \$2.7 million. Some of the bigger declines were due to the loss of sewer revenue on the first line; which represents most of that difference. That was certainly anticipated. You really lost a quarter of that in the prior year. The transfer tax, which is not surprising, was down by \$220,000; which is reflective in the tax revenue. Under the licensing fees also about \$165,000 decline, most of that was the decline in the building permits, from the prior year. Most of that was the sewer revenue; which is no surprise. On the expense side it declined \$159,000 from \$3.3 million to \$3.19 million. There are a lot of ups and downs in that. The big down is with the lost sewer revenue; and you didn't have the sewer expenses either. The bottom line, before adjustments, or prior period adjustments, for the current year was \$439,772 and compared to \$349,454; or a decline of \$789,000. There were some prior period adjustments for the compensated absences, which is the \$67,000 number; so net of that; and in the prior year with the removal, the sewer assets were actually less of a loss; but still at \$507,000. Let's turn to page 45. This is the first statement under the more traditional basis, which is fund basis, where there is more of a cash basis presentation; actually modified cash. I will explain that if you want me to; but I won't explain it tonight, unless I'm asked. This shows just the General Fund balance sheet and the total assets were \$2.8 million vs. \$3.6 million the prior year; so a decline mainly in cash, actually cash was down almost \$800,000 from the prior year. As you can see, it is still substantially more than you had at the end of 2005. Still the cash position of the Town is still extremely strong at \$2.713 million. Liabilities did increase from \$116,000 to \$204,000 and the unreserved fund balance declined \$906,000. What's interesting there, it is still \$2.6 million in the unreserved fund balance and that still represents 12 months of General Fund expenditures, as it was last year. It's just that there were a lot less General Fund expenditures. That's an interesting play on numbers. That's

still extremely adequate. Six months is sort of the good benchmark and you're at twice that, so you're in an excellent position. Turning over to the next page, which is page 46; now we're getting into the General Fund Revenues and Expenditures; and this is kind of useful, because we're going into the supplemental section of the report which I'm showing multiple years, so I think it is a lot more informative, where you can see changes. Under the Transfer Tax, particularly on Page 46, you can see where you received \$590,810 vs. \$810,924 the prior year; and over \$1 million in 2006. You can't hardly pick up a local newspaper in the county without it being a big issue; County-wide and for the Country itself. The losses of Transfer Tax Revenues are significant; although surprisingly when we get to the budget, this is more than we budgeted. As I mentioned earlier under License and Permits, Building Permits are down; actually down \$180,000; which is a very substantial amount from the prior year. Even though the current year of building permits, they are still more than they were in 2006 and 2005; but it might put it into some perspective. Going on down to Total Revenue on page 47, the General Fund took in \$2,031,000 vs. \$2.3 million the prior year; so that is also less than 2006, but more than 2005; and that's a decline of \$315,000; so it's still primarily due to the transfer tax and building permits. Under the Expenses, sanitation department is higher, on page 47; although revenue was less of a spread than in prior years. Street Department is down; there were a lot of repairs in the prior year. The Police Department is actually down from the prior year; even though salaries are up on page 48. Also on page 48-49, the Admin Department is half of what it was last year; but, of course, was distorted by the Town Hall. The Code Enforcer was a little higher, but I think those positions are being fully staffed where they weren't in prior years. Parks and Rec is about the same. Turning over to page 50, we're getting into general government, that's a little bit more; \$362,316 vs. \$336,111 the prior year; so total General Funds expenditures are just short of \$2.7 million vs. almost \$3.5 million last year; or a decline of \$792,000; and there were just tremendous capital improvements in 2007; which drove that number; but still looking at 2008 it's still substantially more than 2006 and 2005. So the very important numbers just below it are the Excess Revenues over Expenditures, which came in at \$662,000 and this more relates, Mr. Mayor, to your comment earlier about the budgeted loss figure; this is below that at \$662,000 vs. \$1.1 million, in the prior year; but some very substantial net earnings in 2006 and 2005. There were some transfers in and out from the proprietary fund, so once that was done there was a decline of \$906,541 on page 51. That's a lot less than last years' earnings and 2006's earnings; but what's so interesting to me, maybe because I'm interested in numbers, is when you look at your fund balance at the end of 2005 it was \$668,000; at the end of 2008 it was \$2.6 million; so you can't say too much woe is me. You can't be incurring those kinds of losses every year, but there are a lot of reasons for it and the Town certainly has improved its financial position over that period of time. Let's move over to the first proprietary statement that is on page 55, there are lots of changes there. This is the balance sheet for the proprietary funds and there actually was an

increase over 2007 by \$344,000; and I think some of that was due to impact fees and we'll talk about that in a minute; but still substantially less than 2006 and 2005. It still reflected the sewer plant assets. The debts went down in the Proprietary Fund; it's a little misleading because some of the debt was moved from the Proprietary Fund to the General Fund. The bottom line is that the debt is down by almost \$308,000. The Fund Equity has increased fairly dramatically in the Proprietary Fund from just a little over \$1 million to \$1.7 million. Turn over to page 56, and we are talking about the Proprietary Revenues and Expenses and you can see the 2008 totals are \$423,000 for the Operating Revenue vs. \$752,000 in the prior year; and of course, a lot of that is for service charges linked to the sewer fund. Expenses are also down from \$871,804 the prior year to \$531,758; and a lot less depreciation; and that was the assets were removed and the sewer plant expenses. Turning over to page 57, the Net Operating Income before other non-operating revenues, is \$108,000 loss vs. \$119,000 the year before. There were some fairly significant impact fees; not as much as the prior years, amen; so after the non-operating revenues, the Proprietary Funds actually showed a slight surplus of \$57,000; \$103,065 the year before; and \$1,036,000 the year before that; and \$541,000 the year before that. At least we're positive, but less positive than other years vs. substantial transfer-in from the General Fund; primarily due to the note transfer; so it ends up the net income is \$665,000 after transfers. That's compared to an almost \$5 million loss the prior year; so the net assets did grow and grew pretty nicely. The last statement I'll talk about is we'll go back to a budgeted statement on page 68.

C Prettyman: We only go up to page 57.

Tom Sombar: Okay, that is part of the first required supplemental statements on page 38, right. This is for the General Fund, Budgeted and Actual and its kind of interesting, as I referred to earlier; transfer tax did budget \$400,000 and it came in at \$590,000 and the real estate tax didn't come in as much as budgeted; but that's still more than the year before; although it is not reflected on this statement here. You can see Building Permits you budgeted \$350,000 and came in at \$208,000; Highway Grants were down from what you budgeted; Fine and Court Costs were down from what was budgeted; and over on page 39 you weren't that far off surprisingly on your budget for revenue which was \$2.1 million and it came in at just over \$2 million. It was about \$82,000 short of what you budgeted. Some things on the expenditure side, the Sanitation Department fees came in under budget; Street budget was under budget by \$12,000; Police Department on page 40 was under budget by \$20,495; Admin Department was under budget by \$14,654 on the bottom of page 40; and moving on to page 41, the Code Enforcement Department is slightly over budget by \$2,782; and Parks and Rec were over budget by \$17,660 and almost all predominantly due to capital expenditures, that's on page 41. Turning over to page 42, General Expenses are a little bit over budget; some of that is due to the Engineering Fees and the State Revolving Fund (SRF) Interest Expense; so total expenditures are \$54,297 under budget, we're in a positive variance or the

excess or net of the two is a negative \$28,150; so that's not too bad. Once again, there were transfers in and out, so that's the conclusion of my comments on the report. We could be taking a lot more time, going into more detail, if you like and there is just tremendous detail in the report; some is repeated information; that is shown in greater detail. Obviously there are the notes to the Financial Statements, and the MD and A and there is a Budget to Actual for the Proprietary Fund; a lot of good information and I would certainly solicit any questions about what is in the report or otherwise, if there are any. The Management Letter is in there too; I wasn't going to comment on it, except if there are any questions that you would like me to respond to.

Mayor Post: I think I would like to ask you a question in regards to the Management Letter. I was fairly impressed because I thought that it was rather minor. There were only four issues.

Tom Sombar: It's a little different format this year, where we...

Mayor Post: I don't like the title, but I think...

Tom Sombar: I have nothing to do with that.

Mayor Post: I heard that was something with Enron. Now they have to state "Communication of sufficient deficiencies and other matters"; thanks to Enron.

Tom Sombar: Absolutely, Mr. Mayor.

Mayor Post: We all pay for others' mistakes.

Tom Sombar: That's why this is now required communication.

Mayor Post: I thought overall, because all this is going to be on our web-site, including the Management Letter, and I know some Towns do not place their Management Letters on their web-site; and I also have heard that it is not necessary for us to be provided, legally. I think there is nothing wrong with doing this. Some might disagree with this; but I believe that people should see this and then they also understand it instead of hearing it from a third party or on the streets or on the sidewalks. I am asking for the Management Letter to be placed right on the Internet with the rest of the audit. They send a response letter; the Town Manager in regards to answering those questions; but I, personally, want to ask you on the number one, regarding preparation of the Financial Statements and Adjustments; and I know its in very accountant jargon written here; it talks about "Management relies on the auditor to perform certain tasks, such as calculation of certain receivables, revenue deferrals, accruals and adjustments to the full accrual basis of accounting. In addition, Management relies upon the auditor to prepare the Financial Statements in accordance with the General Accepted Accounting Principles. The Town may wish to consider alternatives to improve its control over the financial reporting process". What I would like to know is what those alternatives are?

Tom Sombar: Frankly, there isn't anything reasonable other than hiring a staff of 2 or 3 people, as you already have; or like me, to prepare Financial Statement for your auditors. In other words, you have to be the City of Wilmington or larger size to do something like that.

Mayor Post: It's very costly.

Tom Sombar: Basically, what that statement is saying is you internally prepare a document that looks just like this; or in audit terms, audits that. It's just not practical. But the purpose behind it is useful in saying, if you are that capable in running your business...

Mayor Post: It would be the ultimate. But probably no small or no municipalities; I think the City of Wilmington is the only one; it's on the Management Letter.

Tom Sombar: It's just not possible, effective to have that kind of internal staff to prepare such a document. We're talking about company notes, MD and A, and everything else.

Mayor Post: It takes a large staff to be able to produce that.

Tom Sombar: A lot of expertise.

Mayor Post: Right. And then, under Accounts Receivable and Computer Software, which people can read, I'm not going to read them all; that was the second one. That one, my understanding was that was a glitch within our Admin's software.

Tom Sombar: Yes, because the billing was done right; the posting of the revenue to the accounts receivable (A/R Account) wasn't done, (it's a bit technical) so that when the debits weren't going in there; when the credits came in there, it was showing credit balances; inferring that people were overpaying it; which wasn't true.

Mayor Post: That was a software glitch. Now I think we're doing it manually until we can fix this software.

George Dickerson: That's correct. Jenn is actually doing it manually.

Tom Sombar: So it's important to reflect that.

Mayor Post: The third one was budgeting for depreciation. That's no big deal; I think we've already added a line item for depreciation.

George Dickerson: Mr. Mayor, just to follow up on the previous statement. Also we're working with Edmonds, the software company, and they're attempting to resolve that issue.

Mayor Post: So that it won't have to be done manually. That's good. The third one is about having a line item for depreciation.

Tom Sombar: Really just in the proprietary fund; because the proprietary is full accrual. The purpose of that too is that you are always buying equipment and it is not fair to expense the equipment when you buy it, so it is being depreciated and that more fairly spreads the cost over a period of time. It is also helpful when you rate in making because if you're not addressing that's not amortization, but I'll call it amortization for its depreciation; but of that cost over a period of time then you're understating or not properly setting your rate; so by addressing the depreciation in your rate setting, then you can set the rates the way they should be. Otherwise you are reflecting expense more than what you are because it is obviously not a cash expense.

Mayor Post: Right. Then the fourth one was just a deposit check from the Police Department that just didn't... It happens occasionally and that's been

taken care of. So that was it. I have to admit for a title of communication of significant deficiencies and other matters...

Tom Sombar: The first and second were not...

Mayor Post: I understand...

Tom Sombar: Kind of draconian language but its standard language.

Mayor Post: I kind of would like to know and you don't have to say which Towns or anything; how do we compare; I remember years ago, I know when we first... we did have a long ways to go and with the structure and the organizing... how does this compare with other Towns?

Tom Sombar: Most Towns now have staffs similar to Milton and there was certainly a big leg up when the Town engaged a Town Manager. Certainly the professional accounting staff is surely professional; I don't knock the people from the past; but they weren't trained like the current staff is. I think these were real positive developments and the Town has come a long way and become more sophisticated and knowledgeable; obviously the Town is going to be changing substantially in the next 5 to 10 years with the new growth and you have to have capable management of the Town and I think they are in place; at least for the short run, anyway.

Mayor Post: Okay, that's pretty much all for me.

C Martin-Brown: Mr. Mayor, since you're going to post the significant deficiency memo; could we accompany that with the responses.

Mayor Post: We're doing it all. Everything will be posted; the audit and everything. It will be taking a little bit of time, but it will all be getting on there.

C Martin-Brown: I wouldn't want one without the other.

Mayor Post: Absolutely. That will be an easy placement because they're just a couple of pages. The audit will take a little bit of time.

C Prettyman: That was C Martin-Brown speaking.

Mayor Post: Any other questions?

Tom Sombar: We thank you for all your courtesies. Mr. Straus and I enjoy working with the Council and particularly with the Town Manager and the staffs have always been very helpful to us in gathering information and responding to our requests and that's very, very important. Thank you.

Mayor Post: Thank you

c. Possible Acceptance by Mayor and Council of the FY 2007-2008 Town Audit

C Prettyman: I would like to make a motion that we accept the FY 2007-2008 Town Audit by Tom Sombar of Sombar & Co.

C Duby: Second.

Mayor Post: We have a motion and a second for acceptance of the audit. Is there any discussion? All in favor say "aye". Opposed? Motion carried.

d. Presentation of Year-End Reports Budget vs. Actual (This Issue Will Only be Presented if Mayor and Town Council Accepts the FY 2007-2008 Town Audit)

George Dickerson: This report was prepared by Jennifer Cornell our Financial Director. I would like to thank staff; I would like to thank Jennifer. The staff

works very hard to produce these reports and to keep an accurate accounting of the Town's money. I think you will see that reflected in the Audit Report that Mr. Sombar just gave. This report, which Jennifer has completed, includes Tom Sombar's audit adjustments and this is an accurate reflection of those per department and also includes Municipal Street Aids; the Grants that we get. Jennifer will recap some of the highlights of this report.

Jennifer Cornell: Just to briefly go over the report. I structured it similar to the budget reports you receive through the course of the year. During the year you have an approved budget; at six-month we did an amended budget. This report follows that same structure, so that you can follow line-by-line what happened for the year. The first pages are for the Admin Department. What's interesting there, if you look at revenues, we actually exceeded the revenues that we budgeted for. Going through each department, for example Streets shows a significant decrease in the budget; the reason for that is there were street repairs budgeted; we didn't actually do those for the last fiscal year; so that's why you're seeing only 48% for the year. Going through each department, next is the Police Department; again showing all of the expenses. There are several purchases for the Police Department; capital expenditures that were not budgeted for; I did include those, however, since they did occur during the fiscal year; you'll see those at the bottom of the Police expenses. General Expenses include the trash for last year; the SOF loan for Sewer was moved to General so you see those numbers; so we knew our payments, so that's pretty much right on. Going to Parks, nothing big in Parks; if you're looking at the numbers, actual is very close to what was approved in the budget. Code Department revenues; you see a decrease there; only 72% of the revenues; the reason for that again is because of building permits; with the decline, that was a department that was hit significantly with their revenues. The Water Department; one thing I wanted to mention with Water Department Revenues; you see the revenues only at 89%; however, I wanted to bring up revenue reserves were budgeted for the Water Department. We did not need to pull those reserves; so to see that figure, we improved about \$68,000 worth of reserves; we didn't need that; so it's actually a positive, because we didn't need to pull those funds. Finally it goes through the Grants; again that's money coming in and going out; if there is a difference, it's because we still have those monies in the funds; they haven't been expensed out yet. Going to the final page, just showing you totals. We're at 98% for expenses over what was actually budgeted; so we did come in under budget and for revenues we're at 99%; again, we're very close to what was approved in the budget to what was actually happened for the year.

George Dickerson: Thank you Jenn. This the adjusted statement, as presented by Jenn and myself to you tonight for your consideration and possible vote. Are there any questions? Thank you.

Mayor Post: You did a really good job with this.

George Dickerson: Thank you.

Mayor Post: This will be posted on the web-site, as well. Correct?

C Prettyman: Will this be on the April meeting for approval as we just received it this evening?

Mayor Post: It doesn't matter; we could put it on four months out. It is what it is. The budget has been closed. We approved the audit. So with the acceptance of the audit, this is automatically approved. What they are telling you is that this is the final and they are clarifying it. There was a gentleman requesting this document. First of all, it takes at least ninety days; that's what I have at the State to close out a Federal Grant. Sometimes you have an extension of thirty days, so you can go four months; simply because you don't have all of your bills in. If you have contracted services, the contracted service bills may not come out. All this is telling you is this is what it is.

C Prettyman: I'm just making sure that I'm hearing what I'm hearing.

Mayor Post: It's not going to change. There is nothing we can change in this; this is the living final document of our expenses compared to actual, what was approved.

C Duby: When do we get the six-month report; is that at the May meeting or the April meeting?

Unidentified Speaker: April meeting.

C Duby: April meeting. Okay.

C Hudson: I make a motion that we go into Executive Session.

C Martin-Brown: Second.

Mayor Post: We have a motion and a second to go into Executive Session at 8:22 p.m.

C Duby: Mr. Mayor, I move we come out of Executive Session and into Open Session at 8:51 p.m.

C Martin-Brown: Second.

Mayor Post: We have a motion and a second. All in favor say "aye". Opposed. Motion carried.

C Duby: I move that we direct our attorney to take the actions that we discussed in Executive Session.

C Martin-Brown: Second.

Mayor Post: We have a motion and a second. All in favor say "aye". Opposed. Motion carried.

12. Adjournment

C Martin-Brown: I make a motion we adjourn.

C Betts: Second.

Mayor Post: All in favor say "aye". Opposed. Motion carried. Adjourned at 8:52 p.m.